

**CITY OF CENTRAL  
CITY COUNCIL MEETING  
November 4, 2014**

**CALL TO ORDER**

A regular meeting of the City Council for the City of Central was called to order by Mayor Engels at 7:06 p.m., in City Hall on November 4, 2014.

**ROLL CALL**

Present: Mayor Engels  
Alderman Spain  
Alderman Gaines  
Alderman Heider  
Alderman Voorhies

Absent: None

Staff Present: City Manager Miera  
City Clerk Bechtel  
Attorney McAskin  
Finance Director Flowers  
Public Services Director Griffith  
Police Chief Krelle  
Fire Chief Allen

The Pledge of Allegiance was recited by all present.

**ADDITIONS AND/OR AMENDMENTS TO THE AGENDA**

The agenda was approved as presented.

**CONFLICTS OF INTEREST**

No Council Member disclosed a conflict regarding any item on the agenda.

**CONSENT AGENDA**

Alderman Spain moved to approve the consent agenda containing the regular bill lists for October 9, 16, 23, 30, 2014; and the City Council minutes for the meeting on October 14, 2014. Alderman Heider seconded. In discussion, Alderman Gaines asked for detail on credit card purchases. City Manager Miera said he will get that information. When Mayor Engels called the question, the motion carried unanimously.

**PUBLIC FORUM/AUDIENCE PARTICIPATION**

No one requested time to address the Council.

**ACTION ITEMS: NEW BUSINESS**

Discussion and Possible Legal Action Regarding City Loan of \$7,000 to CEDA

Alderman Gaines clarified that the City approved a loan to CEDA of \$7,000 at the April 1<sup>st</sup> meeting with no discussion of a grant. When the Creative District was formed, there was a grant applied for that

was denied. The \$7,000 was approved as a short term loan and not related to the Creative District grant. The loan was approved and funds released before CEDA signed the loan. The loan agreement states that as of November 10<sup>th</sup> we will begin to charge interest until paid in full.

Attorney McAskin gave background from the April 1<sup>st</sup> meeting where CEDA requested \$29,760 for seed funding of which \$17,751 would be applied toward professional services and \$12,018 to operations for the Jazz Festival described as a three day event. Cicily Janus, Jazz Fest Director told Council that the festival would have to move to another city without the seed money. When asked for the minimum amount needed to move forward, Mr. Fejeran stated they could get by with \$12,000. Mr. Ren Goltra offered to donate \$5,000 and Council approved a loan for \$7,000 to be repaid within 3 months from the end of the Jazz Fest. Cicily Janus stated that three months was more than enough time to repay the loan. On May 22, Robert Fejeran who formed CEDA, resigned his position with the City. On July 3, Kevin Lee, the manager of Club Dazzle who was invited to help with the Jazz Festival by CEDA, sent an email recommending the event be postponed for one year for additional planning. On July 5, the Mayor sent an email to Mr. Fejeran that there would be no further funding. Mr. Fejeran responded that the Jazz Festival would be cancelled. On July 17, the City Attorney sent a letter to Mr. Fejeran requesting the loan agreement be executed and to return all unexpended funds to the City. On July 18, Mr. Fejeran sent a letter stating that the Jazz Festival was not cancelled and that it would be a one day event to be held on August 9 at the Reserve Casino. In that same letter, Mr. Fejeran stated that some portion of the \$7,000 was used to pay Karl Dakin and John Strom of Economic Strategies for initial prep of the REDDI grant and once the grant was secured, some of those grant funds would be used to repay the loan. This raises questions if that would have been a proper use of those grant funds. July 18, the City Attorney sent a letter requesting Mr. Fejeran to give the names of CEDA board members and asked him again to sign the loan. The City has received a letter from Angela Howard, attorney for CEDA, asking to change the terms of the loan agreement. To clarify any legal questions, Council can move into Executive Session.

Alderman Gaines moved to go into Executive Session under Section 24-6-402(4)(b), Colorado Revised Statutes, for the purpose of conferring with the City Attorney for the purposes of receiving legal advice on specific legal questions related to the outstanding \$7,000 payment obligation of the Cultural Economic Development Association (CEDA). I further move to invite the City Manager, Mr. Daniel Miera, to participate in the executive session. I further move to reconvene the Council meeting at the conclusion of the executive session, for the purpose of taking any actions deemed necessary. Alderman Spain seconded, and without discussion, the motion carried unanimously.

At 7:52 p.m., Mayor Engels reconvened regular session.

Alderman Gaines moved to direct the City Manager with input from the City Attorney to receive and review a formal proposal from CEDA to amend terms of the short term loan agreement and if received no later than November 11 to add an agenda item to the November 18 meeting for Council discussion with a CEDA representative present and to authorize the City Manager to confer with the City Attorney regarding future legal action to enforce the repayment obligation. Alderman Spain seconded, and without discussion, the motion carried unanimously.

## **STAFF UPDATES**

Manager Miera noted that this is the first time we have had Channel 20 live and able televise the meeting.

Alderman Voorhies thanked the Public Works crew for getting the Parkway back open with 4 clear lanes. Mayor Engels added that the work that was self performed by the City crew really helped to keep the costs from being higher.

Alderman Gaines thanked Public Services Director Griffith for his work with FEMA to secure additional funding and for the work with the Xcel contractor.

**COUNCIL COMMENTS**

Council did not have any comments.

**PUBLICFORUM/AUDIENCEPARTICIPATION**

No one requested time to address the Council.

At 7:42 p.m. Mayor Engels adjourned the meeting.  
The next Council meeting is scheduled for November 18, 2014 at 7:00 p.m.

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Ronald E. Engels, Mayor

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Reba Bechtel, City Clerk